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SUBJECT: TEACHERS AND PETROLEUM WORKERS UNIONS FORM
ALLIANCE TO PROMOTE &A NEW LABOR POLICY IN MEXICO8

11. Summary: On May 30 the leaders of Mexico,s National Teachers, Union (SNTE) and the Petroleum Workers Union (STPRM) announced an alliance to promote &A New Labor Policy in Mexico.8 Reportedly, some 40 other unions joined the teachers and the petroleum workers to help advance this proposal. At present this newly announced alliance appears to be a temporary accord aimed at promoting a specific set of ideas rather than a long-term arrangement to form a new labor organization. According to an alliance spokesman, in addition to advocating for unionized workers this loose association of unions hopes to involve workers on the informal economy, labor lawyers, academics/intellectual and migrants in their discussions on developing a new strategy. The reactions to this alliance by the various elements and observers of Mexico,s organized labor movement span the spectrum from cautious support to outright condemnation. Thus far most of those commenting on the alliance view it negatively pointing out that the names of the leaders of the teachers, and the petroleum workers, unions typify everything most Mexicans identify with the most shameless corruption in Mexico,s organized labor movement. That said, these two unions are both on very good terms with the GOM. Moreover, their cooperation or at least concurrence is essential if the administration of Mexican President Calderon hopes to gain legislative passage of his energy, education and labor reforms. End Summary.

MEXICAN ORGANIZED LABOR IN CRISIS

12. Since at least the late 1970,s Mexico,s organized labor movement has suffered a slow but ongoing crisis whose origins are a complex combination of domestic political issues, global forces and large scale migration to the United States. Over the last 10-15 years in particular, Mexico,s labor unions have lost members, resources and political power. On the domestic side some of the factors affecting organized labor include such things as stagnant and/or falling wages, corrupt and undemocratic unions, inter-union disputes, jobs lost to foreign competition, outsourcing, a poorly educated workforce, lax enforcement of labor laws and an all but officially sanctioned growth of company controlled unions (White Unions) and of unions which only exist on paper (Protection Contract Unions).

13. A considerable amount of study and discussion has gone into examining the causes behind the decline of Mexico,s organized labor movement. One of the most intractable problems facing Mexican labor has been a near constant series

of harsh and debilitating inter-union disputes almost always having to do with a jockeying for power and influence among union leaders and little to do with disagreements with employers over worker rights and compensation. Countless forums have been held and recommendations made to address these problems. So far few, if any, of these forums or recommendation have halted the downward slide of Mexican labor unions. To their credit, the various elements of Mexican labor continue seek solutions to the problems facing the movement and in late May another such initiative was launched.

TO FORM A MORE PERFECT UNION

¶4. On May 30 the leaders of Mexico,s National Teachers, Union (SNTE), Elba Ester Gordillo, and the Petroleum Workers Union (STPRM), Carlos Romero Deshamps, announced an alliance to promote &A New Labor Policy in Mexico.⁸ At the time of the announcement nearly 40 other unions had reportedly agreed to work with these two large and powerful unions in order to confront the problems facing Mexico,s organized labor movement. The majority of the other organizations are a part of Mexico,s federal employees, union, FSTSE (Federation of Unions of State Workers). At present the purpose of this ad hoc alliance is to serve as a discussion and analysis group. However, once these matters are dealt with the group indicated it might consider the formation of a new labor federation in Mexico at some point in the future.

¶5. According to a spokesman for the alliance the item that
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finally prompted the formation of this impromptu group was the prospect of a sharp rise in food prices that has been much discussed in the Mexican media in recent weeks and months. However, to paraphrase the spokesman, the possible negative impact on workers of a potential rise in food prices was only the straw that broke the camel,s back. The leaders of the SNTE and the STPRM have reportedly been worried for some time about the deteriorating situation in Mexico for workers and their unions.

¶6. By coming together in an ad hoc group the leaders of the SNTE, STPRM and others hope to possible solutions to some of the problems facing Mexican workers. In a press conference to announce the formation of the alliance its spokesman took pains to underscore that the group,s purpose was to provide a forum that welcomed the participation of other labor unions or organizations. The alliance,s hope was that a broad range of unionized workers as well as workers on Mexico,s the informal economy, labor lawyers, academics/intellectual and even migrants (who are, have been or who might be going to the US) would join them in their discussions on developing a new strategy for the country,s organized labor movement.

¶7. The immediate goal of the alliance,s discussions was to reach agreement on ways to promote economic growth, raise worker salaries, create jobs, and strengthen and unify organized labor. In order to do this, the spokesperson said, Mexican unions would have to become more transparent, work to eliminate protection contracts (unions which only exist on paper but which collect dues and control the right to truly organize), establish true freedom of association, and increase accountability of union leadership. The stated longer term objective was to help ensure that Mexico,s labor movement would be consulted in any debates on national issues.

TRUTHS MANY SEE AS SELF EVIDENT

¶8. There are very few persons, either as participant or observers, of organized labor in Mexico who do not recognize

the many problems confronting the movement. Moreover, there is near universal agreement within Mexico,s organized labor movement that conditions for Mexican workers have significantly deteriorated, particularly in the past 10-15 years. Specifically, membership has dropped, unions believe there has been a significant loss of worker purchasing power, and the fact that union leaders are no longer easily nominated for elective office are some of the points the labor sector, jobs lost to foreign competition or unionized jobs lost to outsourcing are just some of the things often mentioned when discussing the crisis in Mexican organized labor. Everyone would like to see improvements in this situation but there are relatively few who believe that Elba Ester Gordillo or Carlos Romero Deschamps are even remotely qualified to usher in these desperately needed improvements. In fact, for many Mexicans these two individuals are synonymous with the term &corrupt labor leaders8 and they symbolize the very worst elements of the country,s organized labor movement.

¶9. One prominent academic referred to the call by Gordillo and Deschamps to form an alliance as a &siren song8 that would entice workers to their doom. A syndicated columnist for one of Mexico,s major national newspapers (Reforma) went to great lengths to point out the many faults of these two national level union leaders. Among the points he cited, and which are considered common knowledge within Mexico,s labor movement, are such things as the fact that both Gordillo and Deschamps have been the leaders of there respective unions for an inordinate period of time, both rose to those positions under highly questionable circumstances, both have used their unions positions to amass huge personal fortunes and to be appointed to positions as Federal Deputies (equivalent to a US congressman) in Mexico,s national legislature. (Note: Mexico has a proportional system of representation which allows political parties to appoint individuals to legislative office.) Others have pointed out that Gordillo and Deschamps are known for their high-handedness, corruption and their lack of commitment to real freedom of association and truly democratic unions.

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¶10. Among those who have spoken out against the SNTE/STPRM alliance (the overwhelming majority of those who have publicly commented) the consensus seems to be that these two leaders are looking out for there own interests. For a variety of reasons both of these leaders have a direct and generally positive relationship with Mexican President Felipe Calderon. Deschamps developed a close relationship with Calderon in the previous GOM administration when he served as the government,s Secretary of Energy. Even though Gordillo and Calderon are in different political parties a dispute with the then leader and presidential nominee of her own party (PRI) Institutional Revolutionary Party) prompted here to throw her union,s support to Calderon in Mexico,s 2006 presidential elections. Because of the well documented relation both Gordillo and Deschamps have with President Calderon it is widely assumed that one of the real aims of their ad hoc alliance is to support his administration. Another reason frequently cited is that both of these leaders are working to position themselves to be able to influence Mexico,s 2009 mid-term elections.

JOB, LIBERTY AND THE PURSUIT OF HAPPINESS

¶11. Despite the numerous faults that many individuals and groups attribute to Gordillo and Deschamps, not everyone is prepared to dismiss their proposed alliance out of hand. Three notable exceptions are the leaders of the National Railroad Workers Union (STFRM), the National Workers Union (UNT) and the Mexican Electrical Workers Union (SME). The UNT and the SME both have close ties to Mexico,s main opposition party, the PRD (Party of the Democratic

Revolution) while the Railroad Workers Union is officially affiliated with the PRI.

¶12. None of these labor organizations have yet decided to join the ad hoc alliance but they have expressed a willingness to at least wait and see. Like every other element that makes up Mexico,s organized labor movement the STFRM, UNT and SME are keenly aware of the problems facing Mexican workers. Their initial reactions to the announcement of the ad hoc alliance were to acknowledge not just the faults of Gordillo and Deschamps but also the realities of what they can bring to the table.

¶13. Gordillo,s SNTE is the largest individual labor union in Latin America with over one million members. Deschamps, STPRM is in a position to either support or significantly contribute to a defeat of the GOM,s plans for comprehensive energy reform. In addition to the well known good relationship these two labor leaders have with President Calderon the support of their unions could well be the difference between the success or failure of the GOM,s other high priority reforms in education and labor. Thus, Gordillo and Deschamps, and the unions in alliance with them, have the potential to greatly influence GOM policy and behavior. Consequently, the UNT, SME and STFRM have decided to keep their options open by waiting to see whether the Teachers and Petroleum Workers alliance will actually come up with anything that might eventually accomplish any of their stated goals and objectives before deciding whether or not to support their efforts.

COMMENT

¶14. Most of the public commentary so far about the ad hoc alliance of the SNTE, STPRM and the unions who have chosen to join them portrayed the formation of this ad hoc group as a cheap trick or empty gesture to advance the personal interests of Gordillo and Deschamps. In all likelihood there is some element of truth to this conclusion. Nevertheless, it would be difficult to objectively deny the potential the Teachers, Petroleum Workers and other unions could conceivably exert to improve the lot of Mexican workers. Given the many problems that everyone involved with organized labor in Mexico freely acknowledges, it is hard to see who the SNTE, STPRM alliance could make things any worse.

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